

App F IX 4

Previous References

186 G of 1939-40  
G-7 126-36-1-6  
286-40-3 4

Later References

G 7 237-35-1-3  
R M-235-34-1-6

## GENERAL AND REVENUE SECRETARIAT.

G 7 66-38-1-4

R A 406-37-2 3

G 7 50-26-1 2

Serial Nos

Two

Part B for

Jan 1942

### SUBJECT

Acceptance of the Palace Provident Fund  
Certificates as collateral security for sale of  
model houses on the Ramnagar Road,  
Myrae City, to Palace Officials

To The Chairman,  
City Improvement Trust Board,  
Myrae

L 6573 D 31-1-42

States that the — is not permissible

2/2/42

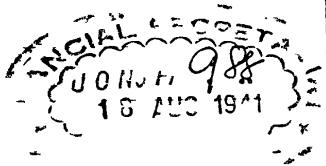
Serial  
No

From the Chairman of DT Bd, Mysore  
No 416 D/13-8-41

Requests to be informed whether the Palace  
Provident Fund certificates may be accepted  
as a security in lieu of Life Insurance  
Policies in connection with the sale of  
Model Houses built by the Palace and the  
Narasimharaja Building Fund ~~on~~  
on the Ramanya Road to the Palace officials.

The Municipal Advocate has  
expressed the opinion that the Palace  
Provident Fund certificates may be  
accepted as a collateral security  
& the Law section may also be  
consulted

17/8 3. valid for orders.  
4. The 1st branch may be submitted  
in the first instance  
S. S. Sany  
Finance (Secy) ) July 1941



Recd  
16/8

16/8  
G 7 264-38-122  
G 7 286-40-324  
NOTE—Contn Sheet  
R M 66-38-526  
R M do - 1104  
X R 406-37 223  
G 7 50-26

6 The point raised is one for  
the opinion of the Law Dept &  
not of the Finance Dept

7 It may however be stated that  
this aspect has been discussed in several  
files of different depts. ~~a point has been~~  
vide collections noted in the margin  
may may be referred to if need be

Asst Secy  
dsg we)

21/8 16/8

File No

975/2

of 194

1261/41  
P

General and Revenue  
Secretariat

Serial  
No

subd The files referred to by the Asst Secy, Finance have been put up & the Law section may perhaps be consulted

KKS  
28/8

9 Asst Secy  
Law (we) ) Vth 28-8

10 Please put up all the files which are in the hands of the Asst Secy for Dept-

Asst Secy  
28/8  
We

3  
29/8/41

11 Only with the files referred to above

KKS  
3/9

Asst Secy  
12 Law (we) ) Vth 3-9

may  
5/9

13 Provident Fund Regr Rules may please be put up early

3

14 A copy of the State Provident Rules is

herewith put up

KKS  
10/10

Mr KKS

Law 62/41

6th September 1941

Serial  
No

15 The Question here is whether the employees of the Palace Kalle Kachery Dept- can assign the amount of Palace Board- Fund at their credit as collateral security towards the cost of Model Houses allotted to them by the Improvement Trust Board

16 Under Sec 6 of the P 7 Act, the provisions of the P 7 Act- have been extended to the benefit of the employees of the Palace Kalle Kachery Dept- & as such, they are governed by the P 7 Act-

17 My answer to the Question at issue is that the employees of the Palace Kalle Kachery Dept- cannot under the law as it exists at present, assign their P 7 amount- in favour of any Dept- or Servt-, or any loan created by them from Govt- & Servt- cannot accept such assignments

18 Under Rule 9(2) Note (3) "Govt- will not be bound by or recognize any assignment or encumbrance created or attempted to be created by any officer during his service, but will recognize to the extent shown in clause 2 (a) above any arrangement which a subscriber may make or be disposed by him of the funded standing at his credit-

19 Further, under Rule 9(1) "Subject to the provisions of this rule, the sum which accumulates to the credit of an officer in permanent employ will, when he quits the

978/2 12/1

File No

of 194

General and Revenue  
Secretariat

Serial  
No

service become his absolute property - to be handed  
over to him unconditionally

20 These Rules are framed in  
accordance with the principles enunciated in  
Sec 4 (1) & (2) & the P 7 Act

21 Hence, if these assignments  
of the Palace Kachay Dept employees are  
accepted by Govt as collateral security, then  
Govt will be acting contrary to Rule 9 (1) &  
9 (2) Rule-3, & also Sec 4 (2) & the P 7 Act

22 I therefore hold that the  
P 7 amount at Govt credit & Govt employees cannot  
be taken as collateral security for the loan advanced  
to them for the purchase of model houses

Law Secretary

3  
6/12/41

23 There is no justification or reason  
to make any differential treatment  
to these officials from the other employees  
under the ~~Act~~ Rules. The Provident  
Fund Rules do not permit the use  
of the amount as a collateral security  
for loans advanced to them for  
the purchase of model houses

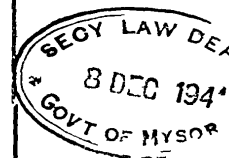
Hm  
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9/12/41

Asst Secy  
L.S.  
etc

24 3  
9/12/41

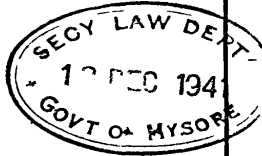
25 A draft reply to the Chairman  
of the Trust Board, Mysore may  
be put up on the above lines for Govt  
for 9/12/41

Draw 6202



Serial  
No

26



Intro with a draft letter for appl. in  
accordance with the Ministry  
of Law secy 7 for  
11/12/41

OFFICE OF THE MINISTER  
FOR L S G & P H  
Date 13 1 42  
No 43 46

May be approved  
Minister )  
L S G  
H. M. Secy

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for

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12/1/42  
12/1/42

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for  
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Hm

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70

The Chairman, C D F Bd, Mysore  
No L 6573 27 31-1-42

States that the Provident Fund  
Rules do not permit the acceptance  
of the amounts as collateral security  
for loans advanced to officials for  
the purchase of Model houses

Po  
Gy

File No

of 194

General and Revenue  
Secretariat

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Serial  
No

Routine Notes

[To be used only for notes, requisitions, etc. not intended for permanent record]



I remember that the question whether a Prondent Fund in my Dept could be offered as security for home building advance was decided by Jot some time ago. Please put up the file and other files of army in my Secy. 13/12/41. Where they have refused to take this fund as collateral security.

Hm  
13/12/41  
Jm

Under of appd, the file will be sent to the Jt Branch for putting up the files referred to above by the Law Secy.

W/B  
13/12 J Br)  
S  
13/12

from the marginally notes collections it may

G F 126-34-1-1  
G F 237-35-1-3  
G F 235-34-1-3

NB—Should time not be written call it:  
the notes must be copied or slips pasted on this form



Ne 147-41-1

978

OFFICE OF THE CHAIRMAN

CITY IMPROVEMENT TRUST BOARD MYSORE

Dated 13th August 1941

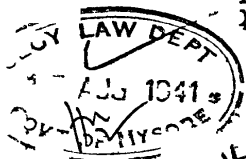
No 416/3841  
(Encls. Seven)

From

B S RAGHAVENDRA RAO, Esq, M A, (Hons),

XXXXXXXXXXXXXXXXXXXXXXXXXXXX

Chairman City Improvement Trust Board



To

H. V. Narayana Rao, Esq, B A., LL B,  
Secretary to the Government of His Highness  
the Maharaja of Mysore, Law Department, Bangal

Sir,

Subject - Re Sale of Model Houses built out of the Palace  
and Narasimharaja Building Funds on Ramanuja Road,  
to the Officials of the Palace Department on the -  
security of the Palace Provident Fund

With reference to the above, I have the honour to state that  
the marginally noted employees of the Palace Kille Kacheri Department

- 
- |                       |   |                                                |
|-----------------------|---|------------------------------------------------|
| 1) S J Muniswamy Raju | ) | who have not insured their lives and to whom   |
| 2) D Govinda Rao      | ) |                                                |
| 3) M Ramji Rao        | ) | the above Model Houses have been allotted by   |
| 4) Sepoy Siddiah,     | ) |                                                |
| 5) Sepoy Madiah       | ) | the City Improvement Trust Board are agreeable |
- 

to assign the amount of Palace Provident Fund at their credit as --  
collateral security towards the cost of Model Houses allotted to them  
in place of Life Insurance Policies The Public Prosecutor, Mysore  
District, who was consulted in the matter has stated that they might  
be accepted as ample security in lieu of Life Insurance policies (Vide  
copy of his letter No 1710 dated 21st March 1941)

I therefore request you to kindly let me know if the Palace  
Provident Fund to which the Provisions of Article IX of the Provident  
Fund Regulation of 1916 are stated to have been extended as per G O  
No F1 663/G F 392-33-2 dated 2nd/4th August 1939 might be accepted as  
collateral security in place of Life Insurance Policies The five -  
assignments received in the matter together with a copy of the Inden-  
ture to be executed by the Vendor are herewith enclosed for favour of  
kind reference and early return

I have the honour to be,  
Sir,  
Your most obedient servant,

B. S. Raghavendra Rao

Chairman. 15/8

HRS



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CITY IMPROVEMENT TRUST BOARD MYSORE

MYSORE

Dated 13th August 1941

Letter No 1710 dated 21st March 1941 from the Public Prosecutor, Mysore District, Mysore, to the Chairman, City Improvement Trust Board, Mysore

-----  
Subject - ~~sale~~ of Model Houses on Ramanuja Road - Collateral Security

With reference to your letter No 2033 dated the 11th instant asking my opinion regarding the acceptance of the assignment of Provident Fund Certificates as collateral - security, I have the honour to state that as per G O No quoted in your letter Provident Fund Certificates must be regarded as approved securities In my opinion they may be accepted as ample security in lieu of Life Insurance Policies

In view of clause 6 of the indenture to be executed by the vendor, there is absolutely no fear of the Board - losing the property even if no collateral security is taken

The agreement to be given as collateral security seems to require ~~as~~ a stamp (Embossed paper) of annas 10/-

" Copy "

*B. Seshavendra*

Chairman

HRS

13/8



Appendix F G-1]

SUBJECT

Diary No of letter replied to

General and Revenue Secretariat

( )  
the 19

Date of issue

Signed by

List of enclosures

Copied by

Examined by

Section

File No

Serial No

147-41

2

No

To

6573/Eu recd  
The Chairman,  
City Impst Bd, Mysore

Sir,

With reference to your

letter no 416 D/13-8 1941

Now requesting to be intimated  
whether the Palace Provident  
Fund certificates may be  
accepted as a <sup>Collateral</sup> security in ~~lieu~~  
lieu of the Life Insurance  
Policies in connection with  
the sale of Model Houses  
built out of the Palace and the  
Narasimharaja Building Fund

on the Ramanuja Road, Mysore,  
to the Palace officials, I am  
directed to state that the  
Provident Fund Rules  
do not permit the <sup>acceptance</sup> ~~use~~ of  
the <sup>Tand</sup> amounts as <sup>being</sup> Collateral  
Security for loans advanced  
to <sup>for off-hire</sup> them for the purchase  
of Model Houses <sup>in company</sup>  
The records I have etc

for  
the  
11/12

the  
13 12 41

Two sent to Cook  
Law enforcement

11/12

